



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

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OFFICE OF
AIR AND WASTE MANAGEMENT

SUBJECT: Tall Stack Policy and its Relationship With
Prevention of Significant Deterioration (PSD)

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TO: Regional Administrator
Regions I - X

As you know, the PSD increments set forth in 40 C.F.R. 52.21(c)(2)(i) are relative to air quality concentrations as of January 1, 1975. If concentrations increase above this baseline level, this works against a source that is subject to PSD and that wishes to locate in the area where concentrations have increased. Conversely, if the concentrations have decreased below the baseline level, the PSD candidate source will have a larger increment margin available to it [§52.21(d)(2)(i)]. Against this backdrop, the following question has been raised by some Regional office staff: May the PSD increments be influenced by improvements in ambient air quality brought about by tall stack construction on sources located in the area where the PSD candidate intends to locate? Answer: Although the Agency's stack height increase guideline published in the Federal Register on February 18, 1976, does not refer explicitly to the PSD increments, this guideline applies in a uniform manner, regardless of whether the national ambient air quality standards or the PSD increments are involved.

Where PSD is concerned, only stack height increases completed after January 1, 1975, are a potential issue since the PSD increments apply only to air quality changes occurring after this date. Under the guideline, the amount of credit that would be given for such a stack height increase would be a function of the date on which the increased stack height construction began. For stack height increases begun prior to February 8, 1974, unless the source has first applied

best available control technology (BACT), credit may not be given for increases beyond two and one-half times the height of the facility serviced by the stack. For stack height increases begun after February 8, 1974, sources must first apply BACT before any credit may be taken for the air quality impact brought about by the increase. For purposes of §52.21(c)(2)(i), these rules also apply.

For new sources, the guidance would permit full credit for the dispersive effect of the stack associated with the source if the source were applying BACT. Similarly, the dispersive effect of the stack constructed on the PSD candidate source may be taken into account since BACT is a precondition for any source subject to the PSD regulations.

cc: Regional Counsels, Regions I - X
Air and Hazardous Materials Division Directors,
Regions I, III - X
Environmental Programs Division, Region II
Enforcement Division Directors, Regions I - X